

Judge: Christopher M. Alston  
Chapter: 7  
Hearing Date: July 2, 2021  
Hearing Time: 9:30 a.m.  
Hearing Site: Telephonic – Call in  
instructions at end of  
document  
Reply Date: June 25, 2021

UNITED STATES BANKRUPTCY COURT FOR THE  
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

In Re:

Case No. 18-14820-CMA

SAMIA EL-MOSLIMANY

DECLARATION OF RONALD G. BROWN IN  
SUPPORT OF TRUSTEE'S MOTION TO APPROVE  
AGREEMENT BETWEEN BANKRUPTCY ESTATES

Debtor.

RONALD G. BROWN declares under penalty of perjury of the laws of the State of  
Washington as set forth below.

1. I am over the age of 21 and am competent to make this Declaration based on  
personal knowledge.

2. I am the Chapter 7 Trustee in this case and the Plaintiff in Adversary Proceeding  
No. 19-01116.

3. I was appointed as the Chapter 7 Trustee in the above-referenced case on  
December 20, 2018. The main asset in this case is real property located at 2655 SW 151<sup>st</sup> Place,  
Seattle, WA 98166 ("Property"). The Debtor owns a 50% interest in the Property. As of the  
Petition Date, the Debtor's mother, Ann Paxton El-Moslimany, owned the other 50% interest in  
the Property ("Ann El-Moslimany").

4. Ann El-Moslimany ("Ann") filed a voluntary chapter 7 bankruptcy petition on  
December 29, 2020, Case No. 20-13149. Nancy James was appointed as the Chapter 7 Trustee on  
the same date. Ann El-Moslimany ("Ann") passed away on January 25, 2021.

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1           5.       The Property is owned one-half by my bankruptcy estate and one-half by the Ann  
2 El-Moslimany bankruptcy estate. Both Samia El-Moslimany and Ann El-Moslimany claimed the  
3 maximum homestead exemption in the Property of \$125,000.

4           6.       There is a consensual first position deed of trust in favor of Washington Federal  
5 Bank in the approximate amount of \$420,000. There is a consensual deed of trust in favor of Aziza  
6 Al-Yousef ("Al-Yousef"), which was recorded several weeks after a judgment was entered against  
7 Ann and Samia in the combined amount of approximately \$1,900,000 in a defamation proceeding  
8 brought by Hayat Sindi ("Sindi") in Massachusetts District Court. There is a recorded judgment  
9 against Samia in favor of Sindi in the amount of \$1,550,299.00 There is a recorded judgment  
10 against Ann in favor of Sindi in the amount of \$344,000.00. Sindi is the largest creditor in both the  
11 Samia bankruptcy estate and the Ann bankruptcy estate.

12           7.       On January 25, 2013, Hayat Sindi ("Dr. Sindi") filed a complaint against Samia and  
13 Ann, seeking damages in the amount of \$10,000,000.00 for defamation, tortious interference with  
14 contract, tortious interference with advantageous relations, and intentional infliction of emotional  
15 distress. After trial, the jury awarded damages of \$3,500,000.00 against Debtor Samia El-  
16 Moslimany and \$600,000.00 against Ann El-Moslimany, which was later reduced to \$1,550,299.00  
17 and \$344,000.00. See Proof of Claim # 5 filed by Hayat Sindi in the Samia bankruptcy case and  
18 Proof of Claim #2 filed in the Ann case.

19           8.       On September 1, 2016, the Debtor executed a Promissory Note in favor of Aziza Al-  
20 Yousef ("Al-Yousef"), in the amount of \$346,666.00. The Deed of Trust securing a Promissory  
21 Note executed by Samia El-Moslimany was recorded in King County on November 7, 2016.

22           9.       At my instruction, on September 12, 2019 my counsel filed a complaint seeking to  
23 avoid the deed of trust given to Al-Yousef as a fraudulent transfer. The case is pending under  
24 Adversary Proceeding No. 19-01116. In that Complaint I alleged that the granting of the Deed of  
25 Trust to Al-Yousef was done intentionally to at least hinder or delay, if not outright defraud, Dr.

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1 Sindi and prevent her from reaching the equity in the Property to satisfy her judgments she held  
2 against Samia El-Moslimany and Ann El-Moslimany. I also alleged that the transfer, the granting of  
3 the Deed of Trust, was constructively fraudulent because the Debtor did not receive reasonably  
4 equivalent value in exchange for the transfer.

5 10. Nancy James is not a party to the Adversary Proceeding.

6 11. Samia and Ann, though her personal representative, Samia, have agreed to pay a  
7 total of \$300,000 to obtain dismissal of the Adversary Proceeding and any claims that Nancy James  
8 has that relate to the Al-Youssef deed of trust.  
9

10 12. I agreed with Trustee James to split the settlement proceeds 80-20, with 80% going  
11 to the Samia estate. There are various reasons for the split. If I prevailed on my Complaint and the  
12 Al-Yousef deed of trust was avoided and preserved I would have stepped into the shoes of the  
13 second position deed of trust as to the entire property, not just as to Samia's 50% interest. Also, I  
14 believe that Hayat Sindi would be the main beneficiary of the avoidance of the deed of trust. Ms.  
15 Sindi's total claim is \$1,900,000, 18% of which is secured by a judgment against Ann's 50%  
16 interest in the Property and the remaining 82% is secured by a judgment lien on Samia's 50%  
17 interest in the Property. Finally, my counsel and I did all the work and incurred all of the fees  
18 relating to the Adversary Proceeding. The Adversary Proceeding has been very complicated with  
19 novel issues and innovating arguments.  
20

21 13. Using my best business judgment, I believe that an Agreement which provides that  
22 my estate receives 80% of the settlement proceeds is fair and in the best interest of the creditors.  
23

24 14 I seek approval from this Court for the Trustee to execute all documents necessary  
25 to effectuate the Agreement Between Estates entered into between the parties. A copy of the  
26 Agreement Between Parties is attached to this Motion/Notice of Hearing and is being included in  
27 the mailing that will be sent to all creditors.  
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Page 3

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Signed and dated this 11<sup>th</sup> day of June, 2021 at Seattle, Washington.



Ronald G. Brown  
Attorney Chapter 7 Trustee

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Page 4

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